

Nifty Chart



Trading Idea - Cash & Future

Scrip	Reco	CMP	SL	Target
HDFC	BUY	1487	1470	1530

Corporate Action:

FOSECOIND - Final Dividend - INR 7.00

Security in Ban period:

BHARATFIN, HDIL, IBREALST, INFIBEAM, IRB, JINDALSTEL, JPASSOCIAT, JSWENERGY, RELCAPITAL, UJJIVAN

Today Event

US - Initial Jobless Claims

Nifty Outlook

Nifty Future	R1	R2	S1	S2
9145	9165	9218	9090	9050

'The market experienced a low volatility day. Nifty index formed a Bullish Hammer candle on the daily chart. Hammer candle after the sharp correction on the previous session indicates that decline is being bought in the market. However it closed flat to negative and continued its losing streak for fifth consecutive sessions and now needs to hold above 9133 to witness an up move towards 9165 and 9218. On the downside it has support at 9090 then 9050 zone.

Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
64.64	64.55	64.30	64.85	65.10

Consolidation within 64.55 - 64.85 is expected and either side breach could be decisive.

Sectoral Outlook

Sector	Outlook
NBFC	POSITIVE
CAPITAL GOODS	POSITIVE

Trading Idea - Derivatives

STRATEGY : MARUTI Bull Call spread

Instrument	B/S	Lot	Reco	CMP
MARUTI 27 Apr 6200 CE	Buy	1	71	71
MARUTI 27 Apr 6350 CE	Sell	1	25	25

Target: Rs 15000; SL: Rs.5000; Margin: approx Rs. 112000

Market Drivers

- ✓ Indusind and Yes Bank reported strong numbers on operational front but saw provisioning see an increase. Both the companies expect provisions to be reversed over the next few months and have guided for strong growth performance ahead as well. Dips on account of deterioration in asset quality are seen as opportunities. US markets closed lower. Indian markets recovered from lows to end positive. Mid cap space did well in a range bound day. NBFC, Infra, cement, real estate as a space continued to see trading interest. New entrants in F&O segment will be in focus. Overall Nifty may continue to remain range bound in the near term as market digests the results.

Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9200	5023725	-175200
Bank Nifty 27-Apr	22000	601640	45280
Bank Nifty 20-Apr	22000	1106720	347480

Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9100	5399400	126600
Bank Nifty 27-Apr	21500	680880	-46240
Bank Nifty 20-Apr	21000	563520	100160

Trading Calls

HDFC

CMP : INR 1487

Buy

Target : INR 1530



- ✓ Price forms a series of small bodied candle at the support of rising trendline. Collectively over last 6-8 days the price pattern is a Fry Pan bottom a very bullish candlestick pattern
- ✓ The last trading day was also a hammer. Overall NBFCs are in a bullish trajectory in recent times
- ✓ At current levels HDFC offers a great trading opportunity and hence it is a recommended buy with a holding period of at least 3-4 days

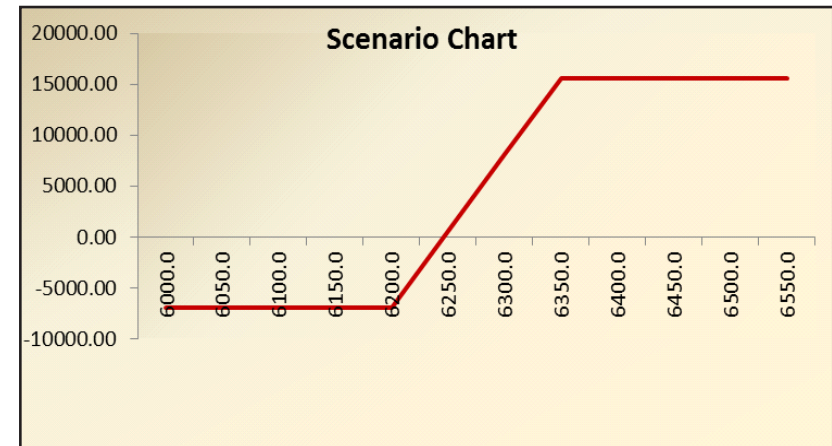
Derivatives Idea

MARUTI

Buy 1 Lot 6200 CE

Bull Call spread

Sell 1 Lot 6350 CE



- ✓ Maruti has taken support near to 6050 and adding fresh built up of long position
- ✓ Highest Put concentration at 6200 could act as vital support while unwinding in 6300-6350 CE could see momentum towards 6300 (highest call concentration)
- ✓ Indicating positive to range bound move thus bull call spread is recommended

FII & DII Activity (INR in Cr)

Cat.	Amt	MTD	YTD
FII	-673	-3555	21807
DII	526	3195	33126

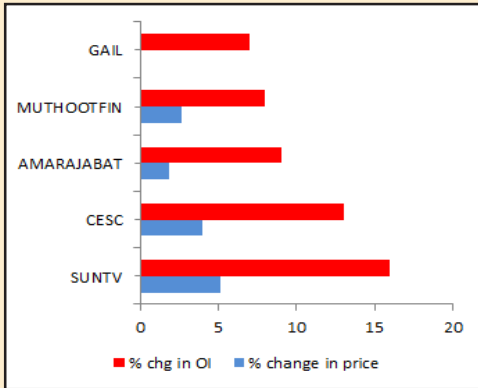
FII F&O

Institution	Net B/S	OI
INDEX FUTURES	-1,027	Short
INDEX OPTIONS	807	Synthetic Short
STOCK FUTURES	269	Short Covering

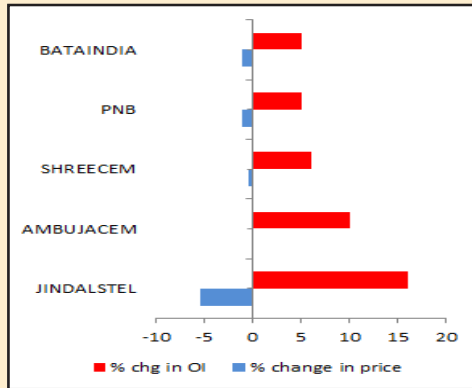
MOST Market Outlook

20th April 2017

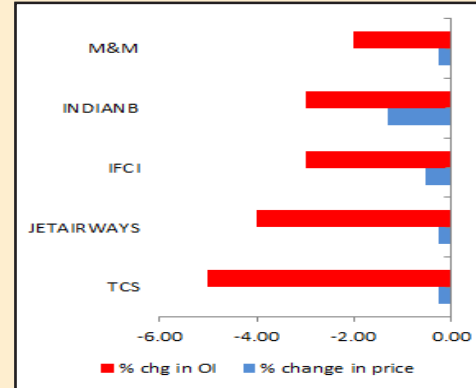
Long Built-up



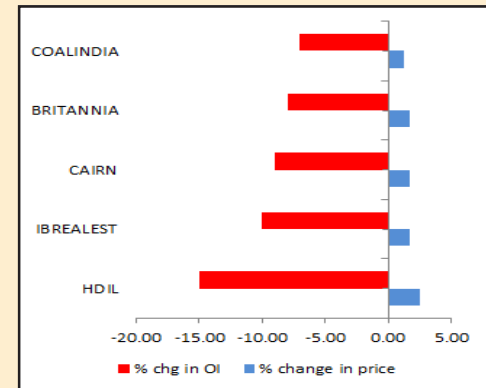
Short Built-up



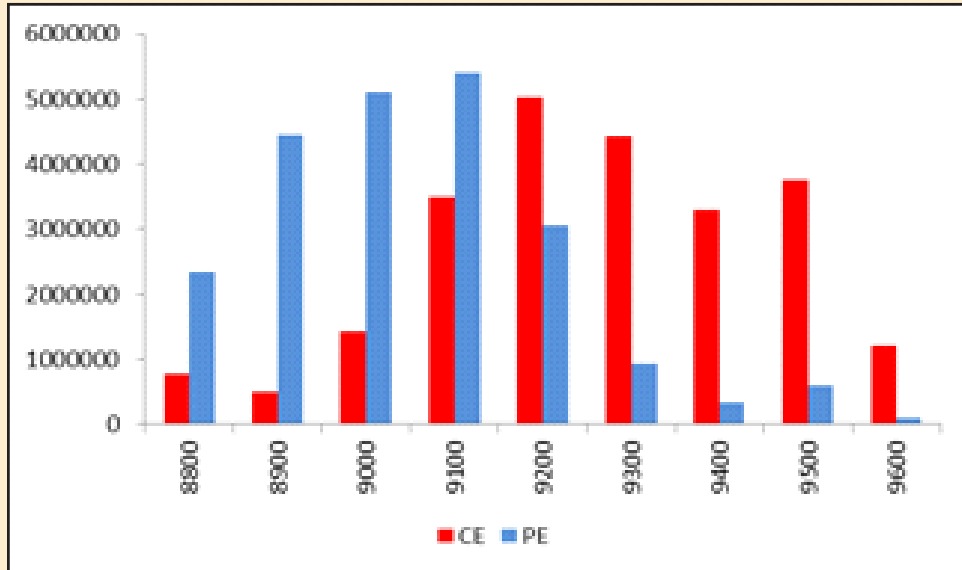
Long Unwinding



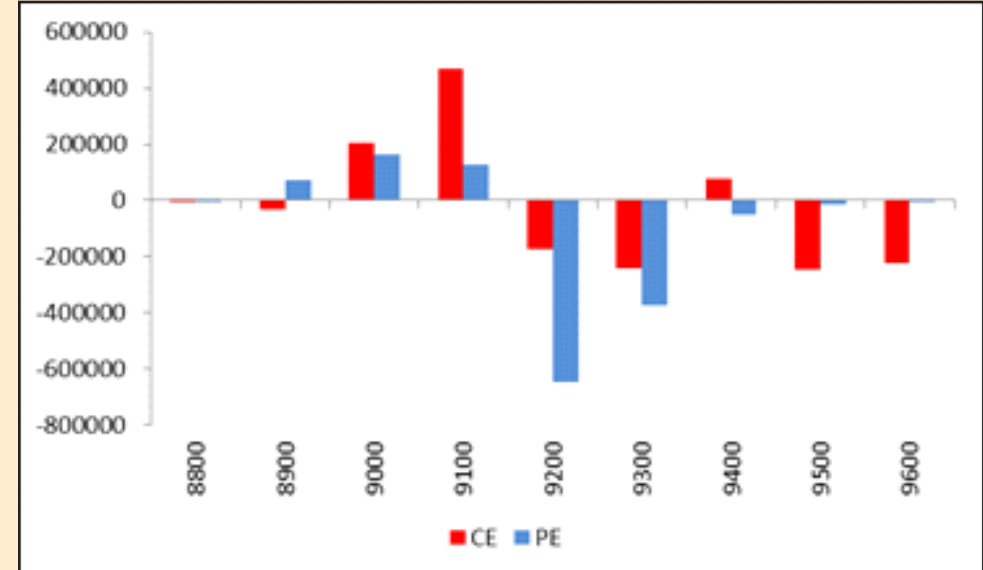
Short Covering



Nifty Option OI



1- Day change in Nifty OI



Morning Meet Notes

Research Notes

IndusInd Bank - One-off provision mars strong operating performance (CMP 1423, TP 1700, Recom BUY)

- ✓ IndusInd Bank's (IIB) 4QFY17 PAT grew 21% YoY (in-line) to INR7.5b
- ✓ NII grew 31% YoY, led by strong loan growth (+28% YoY) and 6bp YoY improvement in NIM
- ✓ Both GNPA (0.93%) and NNPA (0.39%) remained stable on a sequential basis
- ✓ We upgrade estimates by 4-5% to account for higher growth. Maintain Buy with a target price of INR1,700 (3.8x FY19 BV)

Yes Bank - Inline; Asset quality impacted by one off large account (CMP 1605, TP 2110, Recom BUY)

- ✓ Yes Bank's (YES) NII grew 32% YoY (+10% QoQ) to INR16.4b, helped by 20bp YoY NIM improvement (to 3.6%) and customer assets growth of 36% YoY (+15% QoQ)
- ✓ Higher provisioning led to in line PAT at INR9.1b (30% YoY).
- ✓ Gross NPA at 1.5% and Net NPA at 0.8%
- ✓ Reiterate Buy with a target price of INR2,110 (3.3x FY19)

Gujarat Gas - Initiating Coverage (CMP 846, TP 735, Recom SELL)

- ✓ Abundant opportunity in CNG and PNG-residential segments
- ✓ Industrial segment also offers great opportunity
- ✓ Highly volatile commodity prices is concern
- ✓ At 15x FY19E EPS of INR49.0, we value GUJGA at INR735. Sell

Upcoming Economic Events Calendar

				20-Apr-17	21-Apr-17
India					
UK					
US				Initial Jobless Claims	Manufacturing PMI, Composite PMI, Existing Home sales
	24-Apr-17	25-Apr-17	26-Apr-17	27-Apr-17	28-Apr-17
India		Eight Infrastructure Industries			
UK					GDP (QoQ)
US		New Home sales		Wholesale Inventories, Retail Inventories, Intital Jobless claims, Pending Home sales	GDP (QoQ)
	1-May-17	2-May-17	3-May-17	4-May-17	5-May-17
India		Nikkei Manf. PMI		Nikkei Service and Composite PMI	
UK		Manufacturing PMI			
US	Manufacturing PMI		Service and Composite PMI, FOMC Rate decision	Initial Jobless Claims	Change in Non-farm pay roll, Unemployment Rate
	8-May-17	9-May-17	10-May-17	11-May-17	12-May-17
India					CPI, IIP
UK				IIP, BoE Rate decision, BoE Asset Purchase Traget	
US				Initial Jobless Claims	CPI, Retail sales Advance

Note- CPI-Consumer Price Index,WPI-Wholesale Price Index, IIP- Index of Industrial Production, PMI-Purchasing Managers Index

Currency Ideas

USDINR



- ✓ The pair is likely to consolidate within 64.55 - 64.85 and either side breach should provide intraday direction.
- ✓ Strong resistances remain at 64.85 / 65.10 level whereas 64.55 / 64.30 are expected to provide support

EURINR



- ✓ Bias looks positive for the pair as long as 68.90 is held as key support in short-term.
- ✓ Momentum indicators RSI & MACD are signifying positive move in short-term.
- ✓ Dip buying is advised targeting 69.70 - 69.85 levels

MOST Market Outlook

20th April 2017

Dharmesh Kant (Head - Retail Research)
Dharmesh.Kant@motilaloswal.com

Chandan Taparia (Derivatives & Technical Analyst)
Chandan.Taparia@motilaloswal.com

Tina Gadodia (Derivatives Analyst)
Tina.Gadodia@motilaloswal.com

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Motilal Oswal Securities Ltd

Motilal Oswal Tower, Sayani Road, Prabhadevi, Mumbai 400 025
Phone: (91-22) 30894200 Fax: (91-22) 22885038. E-mail: info@motilaloswal.com